§ 410-c. State reimbursement. 1. (a) Expenditures made by counties, cities, and towns for day care and its administration, and day care center projects, pursuant to the provisions of this title, shall, if approved by the department, be subject to reimbursement by the state, in accordance with the regulations of the department, as follows: There shall be paid to each county, city or town (1) the amount of federal funds, if any, properly received or to be received on account of such expenditures; (2) fifty per centum of its expenditures for day care and its administration and day care center projects, after first deducting therefrom any federal funds received or to be received on account thereof, and any expenditures defrayed by fees paid by parents or by other private contributions.

(b) For the purpose of this title, expenditures for administration of day care shall include expenditures for compensation of employees in connection with the furnishing of day care, including but not limited to costs incurred for pensions, federal old age and survivors insurance and health insurance for such employees; training programs for personnel, operation, maintenance and service costs; and such other expenditures such as equipment costs, depreciation and charges and rental values as may be approved by the department. It shall not include expenditures for capital costs. In the case of day care purchased from a non-profit corporation constituting an eligible borrower pursuant to title five-a of this article, expenditures shall include an allocable proportion of all operating costs of such facility as may be approved by the department including but not limited to the expenditures enumerated in this paragraph (b) and expenditures for amortization, interest and other financing costs of any mortgage loan made to such non-profit corporation.

2. (a) Claims for state reimbursement shall be made in such form and manner and at such times and for such periods as the department shall determine.

(b) When certified by the department, state reimbursement shall be paid from the state treasury upon the audit and warrant of the comptroller out of funds made available therefor.

3. The department is authorized in its discretion to approve and

certify to the comptroller for payment, advances to counties, cities or towns in anticipation of the state reimbursement provided for in this section.

4. Payment of state reimbursement and advances shall be made to local fiscal officers as in the case of state reimbursement for public assistance and care under other provisions of this chapter.

5. (a) As used in this subdivision "school age child day care programs" shall mean programs which offer care to school age children under the age of fourteen before or after the period when these children are in school. Such programs may include, but are not limited to, programs provided in school buildings in accordance with paragraph (i) of subdivision one of section four hundred fourteen of the education law.

(b) The commissioner shall, within appropriations made available therefor, select proposed school age child day care programs which shall be eligible to receive an award of no more than twenty-five thousand dollars for start up or expansion costs, including planning, rental, operational and equipment costs, or minor renovations identified as being necessary in order for the program to comply with applicable state or local building, fire safety or licensing standards, based on plans submitted to him. The commissioner shall give preference to those areas of the state which are significantly underserved by existing school age child day care programs and to those programs which involve parents in the development and implementation of programs. The commissioner shall publicize this availability of funds to be used for purposes of this subdivision in awarding grants. Plans may be submitted by private not-for-profit corporations, organizations or governmental subdivisions.

(c) Notwithstanding any other provisions of law, social services districts shall be authorized to purchase services which are to be provided pursuant to this subdivision from programs which have been approved by the commissioner to receive funds pursuant to this subdivision.

6. Any other provision of law notwithstanding, and within amounts appropriated therefor, the department shall have authority to make

start-up grants to prospective programs that will provide child day care, as such term is defined in section three hundred ninety of this article, from any funds available for such purpose.